

# House Amendment 1591

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1 1 Amend House File 882 as follows:  
1 2 #1. Page 9, by inserting after line 29, the  
1 3 following:  
1 4 <Sec. \_\_\_\_\_. Section 15E.193B, subsection 5, Code  
1 5 2005, is amended by adding the following new  
1 6 paragraph:  
1 7 NEW PARAGRAPH. f. If the eligible housing  
1 8 business is a partnership, S corporation, or limited  
1 9 liability company using low-income housing tax credits  
1 10 authorized under section 42 of the Internal Revenue  
1 11 Code to assist in the financing of the housing  
1 12 development, the name of any partner if the business  
1 13 is a partnership, a shareholder if the business is an  
1 14 S corporation, or a member if the business is a  
1 15 limited liability company and the amount designated as  
1 16 allowed under subsection 8.  
1 17 Sec. \_\_\_\_\_. Section 15E.193B, subsection 6,  
1 18 paragraph a, Code 2005, is amended to read as follows:  
1 19 a. An eligible housing business may claim a tax  
1 20 credit up to a maximum of ten percent of the new  
1 21 investment which is directly related to the building  
1 22 or rehabilitating of a minimum of four single-family  
1 23 homes located in that part of a city or county in  
1 24 which there is a designated enterprise zone or one  
1 25 multiple dwelling unit building containing three or  
1 26 more individual dwelling units located in that part of  
1 27 a city or county in which there is a designated  
1 28 enterprise zone. The new investment that may be used  
1 29 to compute the tax credit shall not exceed the new  
1 30 investment used for the first one hundred forty  
1 31 thousand dollars of value for each single-family home  
1 32 or for each unit of a multiple dwelling unit building  
1 33 containing three or more units. The tax credit may be  
1 34 used to reduce the tax liability imposed under chapter  
1 35 422, division II, III, or V, or chapter 432. Any  
1 36 credit in excess of the tax liability for the tax year  
1 37 may be credited to the tax liability for the following  
1 38 seven years or until depleted, whichever occurs  
1 39 earlier. If the business is a partnership, S  
1 40 corporation, limited liability company, or estate or  
1 41 trust electing to have the income taxed directly to  
1 42 the individual, an individual may claim the tax credit  
1 43 allowed. The amount claimed by the individual shall  
1 44 be based upon the pro rata share of the individual's  
1 45 earnings of the partnership, S corporation, limited  
1 46 liability company, or estate or trust except as  
1 47 allowed for under subsection 8 when low-income housing  
1 48 tax credits authorized under section 42 of the  
1 49 Internal Revenue Code are used to assist in the  
1 50 financing of the housing development.  
2 1 Sec. \_\_\_\_\_. Section 15E.193B, subsection 8,  
2 2 unnumbered paragraph 1, Code 2005, is amended to read  
2 3 as follows:  
2 4 The amount of the tax credits determined pursuant  
2 5 to subsection 6, paragraph "a", for each project shall  
2 6 be approved by the department of economic development.  
2 7 The department shall utilize the financial information  
2 8 required to be provided under subsection 5, paragraph  
2 9 "e", to determine the tax credits allowed for each  
2 10 project. In determining the amount of tax credits to  
2 11 be allowed for a project, the department shall not  
2 12 include the portion of the project cost financed  
2 13 through federal, state, and local government tax  
2 14 credits, grants, and forgivable loans. Upon approving  
2 15 the amount of the tax credit, the department of  
2 16 economic development shall issue a tax credit  
2 17 certificate to the eligible housing business except  
2 18 when low-income housing tax credits authorized under  
2 19 section 42 of the Internal Revenue Code are used to  
2 20 assist in the financing of the housing development in  
2 21 which case the tax credit certificate may be issued to  
2 22 a partner if the business is a partnership, a  
2 23 shareholder if the business is an S corporation, or a  
2 24 member if the business is a limited liability company

2 25 in the amounts designated by the eligible partnership,  
2 26 S corporation, or limited liability company. An  
2 27 eligible housing business or the designated partner if  
2 28 the business is a partnership, designated shareholder  
2 29 if the business is an S corporation, or designated  
2 30 member if the business is a limited liability company,  
2 31 or transferee shall not claim the tax credit unless a  
2 32 tax credit certificate issued by the department of  
2 33 economic development is attached to the taxpayer's  
2 34 return for the tax year for which the tax credit is  
2 35 claimed. The tax credit certificate shall contain the  
2 36 taxpayer's name, address, tax identification number,  
2 37 the amount of the tax credit, and other information  
2 38 required by the department of revenue. The tax credit  
2 39 certificate shall be transferable if low-income  
2 40 housing tax credits authorized under section 42 of the  
2 41 Internal Revenue Code are used to assist in the  
2 42 financing of the housing development. Tax credit  
2 43 certificates issued under this chapter may be  
2 44 transferred to any person or entity. Within ninety  
2 45 days of transfer, the transferee must submit the  
2 46 transferred tax credit certificate to the department  
2 47 of economic development along with a statement  
2 48 containing the transferee's name, tax identification  
2 49 number, and address, and the denomination that each  
2 50 replacement tax credit certificate is to carry and any  
3 1 other information required by the department of  
3 2 revenue. Within thirty days of receiving the  
3 3 transferred tax credit certificate and the  
3 4 transferee's statement, the department of economic  
3 5 development shall issue one or more replacement tax  
3 6 credit certificates to the transferee. Each  
3 7 replacement certificate must contain the information  
3 8 required to receive the original certificate and must  
3 9 have the same expiration date that appeared in the  
3 10 transferred tax credit certificate. Tax credit  
3 11 certificate amounts of less than the minimum amount  
3 12 established by rule of the department of economic  
3 13 development shall not be transferable. A tax credit  
3 14 shall not be claimed by a transferee under subsection  
3 15 6, paragraph "a", until a replacement tax credit  
3 16 certificate identifying the transferee as the proper  
3 17 holder has been issued.>  
3 18 #2. Page 12, by inserting after line 18 the  
3 19 following:  
3 20 <Sec. \_\_\_\_\_. Section 422.11D, subsection 2, Code  
3 21 2005, is amended to read as follows:  
3 22 2. An individual may claim a property  
3 23 rehabilitation tax credit allowed a partnership,  
3 24 limited liability company, S corporation, estate, or  
3 25 trust electing to have the income taxed directly to  
3 26 the individual. The amount claimed by the individual  
3 27 shall be based upon the pro rata share of the  
3 28 individual's earnings of a partnership, limited  
3 29 liability company, S corporation, estate, or trust  
3 30 except when low-income housing tax credits authorized  
3 31 under section 42 of the Internal Revenue Code are used  
3 32 to assist in the financing of the housing development  
3 33 in which case the amount claimed by a partner if the  
3 34 business is a partnership, a shareholder if the  
3 35 business is an S corporation, or a member if the  
3 36 business is a limited liability company shall be based  
3 37 on the amounts designated by the eligible partnership,  
3 38 S corporation, or limited liability company.>  
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3 42 J. K. VAN FOSSEN of Scott  
3 43 HF 882.306 81  
3 44 mg/cf/4589